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{ REPORT
110-331

THE GLOBAL POVERTY ACT OF 2007

APRIL 24, 2008.—Ordered to be printed

Mr. BIDEN, from the Committee on Foreign Relations,
submitted the following

REPORT

[To accompany S. 2433]

The Committee on Foreign Relations, having had under consideration the bill (S. 2433) to require the President to develop and implement a comprehensive strategy to further the United States foreign policy objective of promoting the reduction of global poverty, the elimination of extreme global poverty, and the achievement of the Millennium Development Goal of reducing by one-half the proportion of people worldwide, between 1990 and 2015, who live on less than \$1 per day, having considered the same, reports favorably thereon with amendments and recommends that the bill, as amended, do pass.

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I. PURPOSE

The purpose of S. 2433 is to require the President to develop and implement a comprehensive strategy to further the United States foreign policy objective of promoting the reduction of global poverty, the elimination of extreme global poverty, and the achievement of the Millennium Development Goal of reducing by one-half the proportion of people worldwide, between 1990 and 2015, who live on less than \$1 per day.

II. COMMITTEE ACTION

S. 2433 was introduced by Senators Obama, Hagel, and Cantwell on December 7, 2007. It is cosponsored by Senators Feinstein, Lugar, Durbin, Menendez, Biden, Dodd, Feingold, Snowe, Murray, Harkin, Johnson, and Smith. On February 13, 2008, the committee considered the bill, and approved several minor amendments to it. The committee then ordered the bill, as amended, reported favorably by voice vote.

III. DISCUSSION

The Global Poverty Act of 2007 (GPA) directs the President to develop and implement a comprehensive strategy to further the U.S. foreign policy objective of promoting the reduction of global poverty, the elimination of extreme global poverty, and the achievement of the Millennium Development Goal of reducing by one-half the proportion of people, between 1990 and 2015, who live on less than \$1 per day.

Currently, over 1 billion people worldwide live on less than \$1 per day, and another 1.6 billion people struggle to survive on less than \$2 per day. The United States has recognized the need for increased financial and technical assistance to countries burdened by extreme poverty, as well as the need for strengthened economic and trade opportunities for those countries. At the United Nations Millennium Summit in 2000, the United States joined more than 180 other countries in committing to work toward goals to improve life for the world's poorest people by 2015. Goal 1 of the Millennium Development Goals aims to reduce by one-half the proportion of people, between 1990 and 2015, who live on less than \$1 per day. The U.S. has established several significant initiatives in recent years that are consistent with this goal, including the Millennium Challenge Act of 2003, the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003, the Heavily Indebted Poor Countries Initiative, and trade preference programs for developing countries, such as the African Growth and Opportunity Act.

Initiatives by the United States to reduce global poverty reflect the basic American principle of helping those in need to live with dignity and opportunity. They are also consistent with our national security priorities. The bipartisan Final Report of the National Commission on Terrorist Attacks Upon the United States (2004) recommends: "A comprehensive United States strategy to counter terrorism should include economic policies that encourage development, more open societies, and opportunities for people to improve the lives of their families and enhance prospects for their children."

The Global Poverty Act declares it official U.S. policy to promote the reduction of global poverty, the elimination of extreme global poverty, and the achievement of the Millennium Development Goal of reducing by one-half the proportion of people, between 1990 and 2015, who live on less than \$1 per day. It would require the President to develop and implement a comprehensive strategy to advance that policy and includes guidelines for what the strategy should include—from foreign aid, trade, economic development, and debt relief, to working with the international community and leveraging the participation of businesses and nongovernmental organizations. The bill requires that the President's strategy include

specific and measurable goals, efforts to be undertaken, benchmarks, and timetables. The President would also be required to report back to Congress on progress made in the implementation of the global poverty reduction strategy.

The Global Poverty Act does not mandate new spending by the United States, nor does it commit the United States to any future spending. This bill does not commit the United States to advance the other Millennium Development Goals. Similarly, this bill does not commit the United States to other United Nations policy goals or imply concurrence with any other United Nations statements.

The bill requires the Secretary of State to designate a coordinator who will have primary responsibility for drafting the global poverty reduction strategy and assisting in its implementation. The language allows the Secretary discretion to designate a coordinator in the existing bureaucracy or to create a new position as the Secretary deems appropriate. It does not require the Secretary to create a staff for the coordinator; the coordinator should draw upon capabilities and resources already present at the Department of State, the United States Agency for International Development, and other relevant agencies.

The House version of the bill (H.R. 1302), which was sponsored by Representatives Adam Smith and Spencer Bachus, was approved by the U.S. House of Representatives last September with bipartisan support.

IV. COST ESTIMATE

In accordance with rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the committee provides this estimate of the costs of this legislation prepared by the Congressional Budget Office.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 28, 2008.

Hon. JOSEPH R. BIDEN, Jr.,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2433, the Global Poverty Act of 2007.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Michelle S. Patterson.

Sincerely,

ROBERT A. SUNSHINE
(For Peter R. Orszag, Director).

Enclosure.

S. 2433—Global Poverty Act of 2007

S. 2433 would require the President to develop and implement a comprehensive strategy to reduce global poverty. The strategy should include, among other things, more effective forms of development assistance, coordination of efforts with other countries and international organizations, and continuation of existing initiatives to reduce poverty and disease in developing countries. The bill also would require the State Department to prepare several reports de-

scribing the strategy, its implementation, and the progress made on achieving the objectives for reducing global poverty.

Based on information from the State Department, CBO estimates that implementing S. 2433 would cost less than \$1 million per year, assuming the availability of appropriated funds. Enacting the bill would not affect direct spending or receipts.

S. 2433 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact to this estimate is Michelle S. Patterson. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the committee has determined that there is no regulatory impact as a result of this legislation.

VI. CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the committee notes that no changes to existing law are made by this bill.

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